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WEEKLY SUMMARY Special Report

Arnulfo Arias-Panama's Next President?

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ARNULFO ARIAS--PANAMA'S NEXT PRESIDENT?



Arnulfo Arias

Arnulfo Arias Madrid, idol of Panama's masses and leader of the country's largest political party--the Panamenistas, has emerged as the front-runner in the current presidential race with the backing of the most formidable coalition assembled in Panama's history. Barring an obvious effort by the government to rig the election, Arias should win handily over the administration's candidate, former finance minister Samudio, in the election on 12 May.

Twice president before, Arias was tossed out on both occasions for his authoritarianism following brief and stormy periods in office. He believes his narrow defeat in the 1964 election resulted from government manipulation of the ballot-

ing. To prevent such an outcome this year, Arias has instructed his followers to organize armed squads and may also have made deals with members of the Electoral Tribunal. Moreover, Arias has allied his mass-based Panamenistas with four former government parties to create the powerful National Union (NU) coalition. This expedient partnership with parties representing most of the country's vested interests could be short-lived, however, because of long-standing rivalries and mutual distrust. If Arias is elected and then reverts to the dictatorial behavior of his earlier administrations, his erstwhile allies might depose him again.

Arias the Man

Arias' forceful appearance, demagogic oratory, and consistent appeal to the nationalistic aspirations of the Panamanian people have sustained his charismatic image as the champion of the masses for more than three decades. Even the turbulence of his two brief periods in the

presidency has done little to diminish his personal magnetism.

Although Arias has promoted the legend of his humble back-ground, he actually comes from a middle-class family in the cattle-raising midlands of Cocle Province. With the financial help of his family and relatives in Panama City, he came to the

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US for his education after completing secondary school in Panama. Arias attended Hartwick College in New York, the University of Chicago, and Harvard Medical School, where he received his M.D. He returned to Panama and established his own practice before his rise to political prominence. Arias was married to the former Ana Matilde Linares Herbruger, who died in 1955. She was a member of one of Panama's most prominent families and a valuable political asset.

Despite his 66 years, Arias presents a vigorous, athletic appearance. Although a strong believer in astrology, he has shown a disposition to tailorfit fate to his own personal predilections. Indeed, he seems to believe he can direct destiny in much the same way that he directs people.

Rise to Power:
The First Presidency

As one of the leaders of a revolutionary coup that brought

his brother Harmodio to the presidency briefly in 1931, Arias emerged as a national figure. He gained a cabinet position following his brother's election as president in 1932 and later received diplomatic posts in Italy and Scandinavia under Harmodio's successor. A first-hand observation of early fascist successes while he was in Europe greatly impressed Arias and led him to sympathize with nazism and to admire totalitarian government.

Arias returned to Panama for the 1940 election campaign and was elected president with the support of the government machine. Shortly after assuming office, Arias began to demonstrate his leanings toward fascism. He challenged the US Government's occupation of land in Panama and stalled in granting the US defense sites despite the growing Axis threat to this hemisphere. Arias took another slap at the US in October 1941 by announcing a policy of neutrality that prohibited the arming of Panamanian flag vessels.

In line with his authoritarian ideas, Arias inaugurated a new constitution in early 1941 that caused rumblings of discontent among many sectors of Panamanian society. The power of the executive was increased measurably and the presidential term was extended. Some progressive ideas were introduced, such as women's suffrage, land grants, and social security.
Indeed, some of Arias' popularity stems from his image among voters as the "father of social security." In addition, the new constitution contained a number of nationalistic concepts

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including discrimination against foreign firms, expropriation of some foreign-owned property, and emphasis on the nation's Hispanic origins. The new constitution also discriminated against West Indian Negro and Asian minorities.

Arias' increasingly dictatorial methods and the furor created by his arbitrary constitution set the stage for a coup d'etat late in 1941. Arias left Panama secretly on 7 October for Cuba to visit an eye specialist.

Because he had failed to ask the National Assembly for permission to leave as required by the constitution, Arias' opponents seized the opportunity to oust him. Unable to arrange a flight back to Panama, Arias had to book passage by steamship. When he arrived in Cristobal less than a week after his overthrow, Canal Zone police escorted him to the Colon city limits where he was arrested by Panamanian police. After five days of imprisonment he was permitted to fly to Nicaragua, where he began four years of exile that included stays in Mexico, Cuba, Venezuela, Brazil, and finally Argentina.

The Second Presidency and Downfall

Arias was allowed to return to Panama in October 1945, and was soon at work forming a new party to launch another campaign for the presidency. By 1948 he was making a strong bid for US support for re-election, promot-

ing the initiation of a new base treaty with the US as a major campaign issue. An unpopular treaty signed by the incumbent government had been unanimously rejected by the National Assembly in December 1947 following massive nationalist and Communistinspired protest demonstrations before the assembly building.

Although Arias probably received a plurality of the votes in 1948, the government-backed candidate was declared the winner

Arias immediately took refuge in the Canal Zone and left for Costa Rica, claiming that his life was endangered. In the fall of 1949, however, an attempt by President Daniel Chanis to remove the chief of police, Colonel Jose Remon, prompted Remon to stage a coup, recount the 1948 ballots, and install Arias as president.

Arias had not learned from his past mistakes, and his second presidency was characterized by conspicuous irresponsibility and rampant political corruption. The president and his cronies used public funds freely to enrich themselves, and nepotism in government reached new heights even for Panama. Arias was one of the most culpable and at one point his relatives occupied four of the principal cabinet The few constructive accomplishments of Arias' second term--including efforts to strengthen relations with the US--were offset by Arias' disregard for constitutional government and a propensity to sidestep the law when it stood in the way

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of ousting enemies or placing friends in office.

The freewheeling president quickly alienated members of the oligarchy, the legislature, and the national police with his efforts to stamp out opposition to his increasingly high-handed methods. Once most of his opponents were jailed, Arias tried to reimpose his authoritarian 1941 constitution, a move that created new and widespread opposition.

The ax fell early in 1951 when the assembly, reacting to

Arias' determination to suspend it, impeached him and elevated the first vice president to office. Although the Supreme Court upheld the assembly action, Arias had to be physically dislodged from the presidential palace by National Guard chief and later president, Colonel Jose Remon, who played a major behind-the-scenes role in the overthrow. After more than three hours of bitter fighting between armed government forces and Arnulfistas, the blood-stained Arias was carried off to jail shouting "Volveremos" (We shall return).



"We Shall Return"

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Defeat in the 1964 Election

Following nine months in jail, Arias returned to his coffee farm in western Chiriqui Province with his political ambitions intact. He lived in relative seclusion until the assembly restored his civil and political rights in October 1960. But this time, he had his sights set on the 1964 election.

A major obstacle to his presidential aspirations was the deep-seated enmity that had developed between him and the Panama National Guard in 1951. Guard Commandant Bolivar Vallarino, closely identified with Panama's oligarchy, was willing to back any election outcome other than an Arias victory. Arias' relatively moderate stand on the canal issue following the serious anti-US riots in January 1964 and his open efforts to ingratiate himself with the US apparently were judged with suspicion because of his past record as a staunch nationalist, and had little effect on his popularity as a candidate. of Panama's great paradoxes is Arias' ability to court the US, and even boast of alleged US support, without damaging his appeal to the ultranationalist and Yankee-baiting elements.

Arias made a strong showing in the election, but government candidate Marco Robles was declared the winner. Arias charged the oligarchy, the National Guard, and the Electoral Tribunal with fraud, and his Panamenista Party was rumored to be planning a move against the government. No

action was taken, however, perhaps because Arias was hospital-ized shortly after the election. Arias once more retired to his farm, where he continued to depict the Robles government as illegal and maintained a policy of watchful waiting. In late 1967, divisions within the ruling coalition over selection of a presidential candidate for 1968 provided him an opportunity to return to the political arena.

Alliance with the Oligarchy

President Robles' decision in September 1967 to back Finance Minister Samudio as the administration's candidate was a shattering blow to the eightparty government coalition. Four parties--opposed to Samudio because of his reputation as a liberal reformist--left Robles and joined forces with Arias' Panamenista Party to create the National Union (NU) as a vehicle for Arias' candidacy. The bulk of Panama's wealthy elite, including some financially important sectors of Samudio's Liberal Party, shifted into the Arias camp. In exchange for their support, Arias awarded the first and second vice presidential nominations to members of the renegade government parties.

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Arias, who claims he was cheated out of the presidency in 1964, is moving to ensure his victory at the polls.

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the Electoral Tribunal, which reviews the vote tabulation, is convinced that Arias' victory is inevitable and provincial electoral boards are being staffed with his followers. The tribunal's attitude may be influenced by the fact that relatives of several tribunal judges, who may have made deals with Arias, are planning to run for office on the Arias ticket.

The NU is clearly the most formidable political coalition ever assembled in Panama. The five parties supporting Arias received 197,000 of the 317,000 valid votes cast for president in 1964. They have more than a two-thirds majority in the National Assembly and complete control over the legislative process. In addition, the NU has the backing of the lion's share of the country's news media.

Arias' most important asset probably lies in the close ties between his NU partners and National Guard Commandant Vallarino. Although Arias and Vallarino are long-time enemies, it is likely that an arrangement has been made to guarantee Vallarino's position in return for the guard's "neutrality" in the election. Arias has said privately, however, that Vallarino must be eased out eventually.

Once in office, the NU's major weakness would be the fact that it is a marriage of convenience between Arias, an historic opponent of the Panamanian oligarchy-though a member of it-

and parties that have traditionally favored the oligarchy. The NU contains several groups of enemies whose political rivalry and animosities span many years. It will be much easier to win with such a coalition than to govern with it.

Arias, the US, and the Canal Treaties

For the past two decades, Arias has been consistently pro-US in his statements, except for a short period following his defeat in the last election. At that time he indirectly blamed the US for his upset and accused it of lack of courtesy for not arranging a dialogue with him. Arias did not join the chorus of Panamanian recrimination against the US during and after the riots in January 1964 and was accused of being the only "pro-Yankee" candidate. In fact, he made a vigorous effort during the campaign to live down his anti-US reputation. The generally pro-US tone of his statements was extraordinary for a Panamanian in the heat of an election campaign. Arias has since tried assiduously to give the impression that he would have the backing of the US if elected -- a tactic he continues to pursue.

Arias' criticism of the negotiated drafts of the canal

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treaties as completed last June is based for the most part on his refusal to recognize the legality of the Robles government. Even so, his stand is fairly moderate. Rather than rejecting the treaties, Arias claims he will push for negotiations on the basis of the present drafts and the modifications proposed by the advisory Foreign Relations Council. Some of these proposed modifications, however, are said to be substantive in nature and thus known to be unacceptable to the US.

Arias has also privately stated his preference for a "small" treaty rather than the present package of treaties on the lock canal, a sea-level canal, and military bases. Although he has indicated his acceptance of a US military presence in Panama, he wants additional compensation to make the defense treaty more palatable. He has not indicated how much more he will insist on-the treaties as they now stand would increase Panama's income from \$1.9 million to an estimated \$15 million in the first year. Moreover, Arias has frequently expressed a desire for massive US financial and technical aid to be handled outside the Alliance for Progress by a private corporation set up by treaty.

An Uncertain Future

On the basis of his past record, it is difficult to predict how Arias would perform in the presidency if elected again. He demonstrates a good deal of caution, restraint, and political acumen out of office, but when he has been in a position of authority in the past he has become obsessed with a compulsion to dominate all about him.

Some observers cite Arias' public position as evidence that he has become more moderate over the years and would attempt to make his third administration a successful one. This would presumably be his last in view of the constitutional ban on serving consecutive terms and the fact that he would be 70 when his term ended in 1972. It may be that he could bring the stability and popular support necessary to achieve ratification of a new canal accord with the US. Indeed, the opportunity to establish his own imprint on the treaties and thus secure a firm place in his country's history might induce Arias to seek a reasonable canal settlement.

On the other hand, it would not be out of character for Arias to take a defiant stand against the US if he thought he stood to gain from it. His recent obsequious attitude toward the US must be read in the light of the contrast between his past declarations of intent and actual practice in office.

harbors some resentment toward the US for alleged personal affronts as well as for earlier 25X1

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political setbacks. Difficulties in securing new canal treaties are likely with any incoming Panamanian administration, and Arias particularly might well seek concessions that he knows would be politically impossible for the US to grant. If elected by a large majority, Arias might even believe he had a national mandate to demand substantive changes in the proposed treaties.

The political discretion and pragmatism that characterize Arias out of office have in the past given way to the politically suicidal arbitrariness that seems to emerge when he achieves power.

If, assuming that he wins in May, he sustains the qualities that he is exhibiting as a candidate, Arias could be one of the more constructive executives in Panama's short history and could garner a victory that would crown his political career-treaties both satisfying to and profitable for his country. His earlier self-defeating behavior as the man on top, however, suggests that he is psychologically unable to bend and compromise enough to coexist peacefully with the difficult partners that now provide his avenue to the presidency.

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